

# ICPS newsletter

## Visa policy should proceed from economic expediency

***Ukraine still applies the Soviet permit system for issuing visas, based on total state control over citizen entry and departure. Being a democratic state, Ukraine should focus its visa policy on creating favourable conditions for free movement of citizens, goods, services, and capital. The Europe-XXI Foundation and the International Centre for Policy Studies hosted an expert discussion on "Ways To Reform Ukraine's Visa Policy" on February 3. Participants discussed problems of Ukraine's visa policy and ways to reform it***

Since it gained independence, Ukraine, as many countries of former Soviet Union, has liberalised the departure procedure for its own citizens but did not change the traditionally Soviet approach to issuing visas for foreigners. While declaring strategic collaboration with Western countries and its intention of integrating into European and North Atlantic structures, Kyiv still follows a tough visa regime for EU/US/Canadian nationals. Simultaneously, CIS citizens have the right to free and unfettered visits to Ukraine, and the visa issue procedure is very simple for citizens of Africa and Southeastern Asia, which are the main

"donors" of illegal immigration.

Mr. Dmitry Koublitsky, president of the Europe-XXI Foundation, believes that Ukraine's visa policy does not comply with its stated foreign-policy goals, due to the following causes:

- There is no clear strategy or ultimate objective. The lack of strategy has resulted, for example, in a much-lauded decision to abolish visa entry for owners of EU diplomatic passports. But the main revenue source for many countries is tourism and business, and visa requirements for this category of foreign visitors did not change;
- Foreign policy priorities are vague, resulting in great contradictions between

declarations and actual measures. Official Kyiv makes statements about European integration but does not eliminate the "iron curtain" for EU citizens, who, besides having to obtain Ukrainian visas, are required to register at the infamous so-called VVIR (Office of Visas and Registration of the Ministry of Interior). Visas are issued by Ukrainian consulates only in overseas countries, and for persons wishing to obtain private or business visas, each application must be accompanied by an original letter of invitation all manner of signatures and stamps. It is impossible to obtain Ukrainian visas on arrival at airports or in land borders. High visa fees are one of the major deterrents affecting tourist travel to Ukraine.

According to Mr. Koublitsky, Ukraine needs to heed the experience of Central European countries, which unilaterally abolished visa requirements for EU citizens.

In order to adjust Ukraine's visa policy to its foreign policy priorities, this sphere

### *Expenditures by EU/US/Canadian visitors to Ukraine*

Using data providing by the State Committee of Ukraine for Tourism, TACIS experts calculated that total expenditures in Ukraine by EU/US/Canadian visitors amounted to around 139 million USD in 1998.

The average expenditures per person per trip were \$552. This varied from \$633 for persons on a tourism-motivated private trip, \$616 for an organised tour, \$567 for business visitors, and \$9 for visitors in transit. Details of the calculation are given in the table.

*Table: Value of services provided to EU/US/Canadian visitors in 1998*

purpose of visit	number of tourist arrivals	average length of stay, days	daily payments for basic services, USD	payment for additional services, USD*	total payments, million USD
	(1)	(2)	(3)	(4)	(5)
organised tour	73,330	5	100	117	45.2
business trip	120,630	3	150	117	68.4
private tourism	39,634	12	50	33	25.1
other (transit)	32,644	1	10	—	0.3
Total	266,238				139.0

$$(5)=(1)\times(2)\times(3)+(1)\times(4)$$

\* For duration of visit

Source: *Tourism in Ukraine 98: Statistical Bulletin*, State Committee of Ukraine for Tourism (1999)

must be fundamentally changed. First of all, it is necessary to remove visa requirements for traditionally high-income countries or middle-income countries, because they do not pose a real threat of illegal immigration due to their long distance from Ukraine. The maximum visa length of stay should be extended to 90 or 180 days. Under conditions of economic reform and tourism development, in some years Ukraine will be able to enjoy increased budget revenues from tourism and business trips, which will be much more than the first stage's expenditures required to abolish visa requirements for EU and other nationals.

Visa policy reform should involve the important but unpopular step of implementing a visa regime for CIS countries. The procedure to obtain visas should be diversified. For example, a less

strict regime may be implemented for citizens of Russia, Belarus, and Moldova (i.e., non-obligatory original letter of invitation, fast application consideration and visa issue, possibility of obtaining multiple-entry visas, lower visa fees). But the strictest visa regime should be introduced for countries of Transcaucasia and Central Asia.

If Ukraine reforms its visa policy, the following positive changes can be expected:

- increased revenues from tourism and investments by developed countries. Free entry for businessmen and investors will significantly simplify and accelerate the process of foreign investment attraction into Ukraine's economy;
- reduced flow of illegal migrants, who often stimulate the development of

organised crime. It will also benefit Ukraine's negotiations with the European Union for concluding agreements with EU countries on visa-free entry for Ukrainian citizens.

The Ministry of Foreign Affairs of Ukraine seems to understand the problem, but has not found any way to resolve it quickly. Mr. Viktor Kyryk, head of the Consular Department of the Ministry of Foreign Affairs of Ukraine, reported on a number of the Ministry's measures aimed at strengthening eastern frontiers and ordering a visa regime for CIS countries. He justified keeping the visa regime for EU countries by the need to "secure national interests". According to Mr. Kyryk, Ukraine can abolish its visa regime for developed nations only on the basis of bilateral agreements, i.e., if EU countries will introduce visa-free entry for Ukraine's citizens. ■

# Lithuania focuses on Europe

***Foreign policy in Lithuania is based on three principles: membership in Euro-Atlantic security structures, accession to the European Union, and friendly relations with neighbouring countries. This was the major issue covered by Mr. Vitautas Petras Plechkaitis, Ambassador of the Lithuanian Republic in Ukraine, at an ICPS roundtable on March 2***

The strategic guideline of Lithuania's foreign policy is integration into the Euro-Atlantic community of democratic states. On January 1994, Lithuanian President Algirdas Brazauskas submitted their application for accession to NATO. Lithuania expects to receive an invitation to negotiations regarding accession to NATO in 2002. According to Mr. Plechkaitis, current members of NATO consider that Lithuania seems to be the best-prepared of candidate countries for NATO accession.

Another priority of the foreign policy of this Baltic state is integration into the European Union, that will encourage the development of favourable conditions for further economic growth. Lithuania became an associate member of the EU in 1995. The government believes that Lithuania will be ready to become a full member of the European Union in 2004.

Today the Lithuanian government is making many efforts to initiate negotiations for EU accession in 2002. The European Commission has highly estimated the country's progress in adjusting Lithuanian

legislation on environment and transport to EU standards.

The Ambassador informed roundtable participants that one of the prerequisites for EU accession is the full shut-down of the Ignalin power plant, which has the same technical characteristics as the Chernobyl power plant. The government and parliament decided to shut down this power plant with the assistance of EU members by 2005.

Poland is the main foreign partner of Lithuania. These two states signed a Declaration on Friendship and Collaboration on April 26, 1994. The countries jointly develop and conduct important economic projects, including construction of highways, transmission lines, and railways meeting European standards.

Lithuania has already formalised its relations with Russia, particularly border delimitation and demarcation. Mr. Plechkaitis noted that Russia is still an important economic partner, but Lithuania does not depend on Russia, neither in the

political nor in the economic sphere. The major trading partner of Lithuania is the European Union.

The relationship between Lithuania and Ukraine is a good example of collaboration. Lithuania was one of the first countries to recognise Ukraine's independence, and the two states established diplomatic relations on December 12, 1991; the Embassy of the Lithuanian Republic was opened in Kyiv on September 5, 1992.

During eight years, dozens of agreements regulating all aspects of political and economic activities have been concluded. The most important are the Agreement on Friendship and Collaboration dated 1994, and the Agreement on Free Trade dated 1995.

Thanks to the Agreement on Free Trade, Ukraine has become an important trade partner of Lithuania. Lithuania imports from Ukraine base metals and metal products, tools and mechanical equipment, chemicals, and plant-origin products. During recent years, the largest part of Lithuania export into Ukraine includes petroleum products, textiles, plastics, and electronic equipment. ■

*The roundtable on "Lithuanian Way: From Independence to Euro-Atlantic Integration" was held at ICPS on March 2, 2000.*

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